

State of Vermont

Buildings and General Services
Office of Purchasing & Contracting
10 Baldwin St
Montpelier VT 05633-7501
USA

CONTRACT



Vendor ID 0000011637
American Rock Salt Co
PO Box 190
MT Morris NY 14510
USA

Contract ID 0000000000000000000022736		Page 1 of 5
Contract Dates 07/16/2012 to 07/15/2013	Origin CPS	
Description: CPS- ROAD SALT DIST 1, 2, 3, 4	Contract Maximum \$99,999,999.00	
Buyer Name Berini, Brian	Buyer Phone 802/828-2217	Contract Status Approved

Phone #:

Line #	Item ID	Item Desc	UOM	Unit Price	Max Qty	Max Amt
1	9326	ROAD MAINTENANCE SALT/DISTRICT #1: BULK, FOR DE-ICING PAVEMENT AND OTHER WINTER MAINTENANCE ACTIVITIES.	TON	59.59000	0.00	0.00
PRICING EFFECTIVE JULY 16, 2012						
2	9328	ROAD MAINTENANCE SALT/DISTRICT #2: BULK, FOR DE-ICING PAVEMENT AND OTHER WINTER MAINTENANCE ACTIVITIES.	TON	61.90000	0.00	0.00
PRICING EFFECTIVE JULY 16, 2012						
3		ROAD MAINTENANCE SALT/DISTRICT #3: BULK, FOR DE-ICING PAVEMENT AND OTHER WINTER MAINTENANCE ACTIVITIES.	TON	62.17000	0.00	0.00
PRICING EFFECTIVE JULY 16, 2012						
4		ROAD MAINTENANCE SALT/DISTRICT #4: BULK, FOR DE-ICING PAVEMENT AND OTHER WINTER MAINTENANCE ACTIVITIES.	TON	62.67000	0.00	0.00
PRICING EFFECTIVE JULY 16, 2012						

CONTRACT TERMS AND ADDITIONAL INFORMATION

THIS CONTRACT IS ISSUED IN ACCORDANCE WITH THE STATE OF VERMONT RFP FOR ROAD SALT ISSUED JUNE 25, 2012 AND VENDOR'S RESPONSE DATED JULY 10, 2012 WITH THE UNDERSTANDING THAT AMERICAN ROCK SALT CO. WILL MEET ALL DETAILED REQUIREMENTS FOR BOTH THE STATE AND PARTICIPATING TOWNS AND CITIES. A LISTING OF PARTICIPATING TOWNS AND CITIES IS ATTACHED.

STATE OF VERMONT ATTACHMENT C: STANDARD STATE CONTRACT PROVISIONS DATED JULY 1, 2012 AND ATTACHMENT D: COMMODITY PURCHASES TERMS AND CONDITIONS DATED NOVEMBER 10, 2010 ARE ATTACHED AND INCORPORATED AS PART OF THIS ORDER.

Sodium chloride shall comply with all State of Vermont specifications. The Vermont Agency of Transportation (VTrans) requires that suppliers provide test data annually and upon request; certifying material meets all contract specifications.

CHEMICAL COMPOSITION: Any one or combination of the 3 following chlorides: (NaCl, CaCl₂, and MgCl₂ as NaCl based on dry weight and shall conform to a chemical composition of a minimum of 95%.

UNIT OF MEASUREMENT: TON. The term ton shall mean the "short ton", an avoirdupois unit equal to 2000 pounds.

GRADATION:

Salt shall conform to the following particle size distribution specifications as determined by laboratory sieves and AASHTO T27:

Passing a 1/2" sieve 100%
Passing a 3/8" sieve 95% - 100%
Passing a No.4 sieve 20% - 80%
Passing a No. 8 sieve 10% - 50%
Passing a No. 30 sieve 0% - 10%

MOISTURE REQUIREMENT: Moisture content shall not exceed 1% at point of delivery. VTrans reserves the right to test moisture level at time of delivery with a speedi-moisture tester. Laboratory testing for moisture will be done in accordance with AASHTO T255. Material exceeding 1% moisture content may be rejected and returned to the contractor at the expense of the contractor. VTrans reserves the right to reject all deliveries for the day, or accept the delivery and exercise the penalty clause. Salt deliveries that exceed 1% moisture content

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will be subject to reduced payment (see Penalties for Moisture).

ANTI-CAKE: Salt shall be loose, free flowing and should not clump or cake. In order to retard caking while in storage, all bulk salt shall be uniformly treated with an approved anti-caking conditioner prior to delivery at no additional cost to the State of Vermont. The residual amount of anti-cake conditioner should not be less than 50 parts per million. VTrans will be testing the quantity of Anti-cake in accordance with VAOT MRD 56 procedure.

SAMPLING AND TESTING: VTrans reserves the right to visit and take samples from stockpile(s), transfer points or from shipments for gradation and moisture, storage conditions, etc. at any time during the term of the contract. If the stockpile or stockpile site does not meet the specifications set forth in this document, the VTrans reserves the right to reject the award of the contract. Truckloads of salt that at the time of delivery appear to not meet the specification according to the District's District Transportation Administrator (DTA) or designee will be tested and future loads that appear to not meet the moisture, gradation or other specification as set forth in this document may be rejected at the discretion of the District's DTA or designee. The right is also reserved to consider truckloads of salt delivered by the contractor to any one District (one of eight regional maintenance Districts) on a single day to be a single delivery. It is expected that deliveries will progress in a continuous manner for each order to one shed unless otherwise agreed to by the District's DTA or designee. Penalties imposed because of deviation from specifications may be imposed on the total day's delivery. The District's DTA or designee may request additional tests for an order of salt. A laboratory shall perform testing according to VTrans's detailed specification. VTrans Material and Research Lab in Berlin, VT, Regional VTrans Labs, or other approved laboratories may be used for testing. VTrans will sample and test sodium chloride with only qualified personnel.

STORAGE/DELIVERY: Salt must meet Vermont specifications for moisture content, gradation, and be free of extraneous materials at the time of delivery. VTrans will not accept salt containing gravel, loose dirt or other materials that are not included in the specification.

It is the intent of the state as purchaser to provide inside storage facilities for all road salt to ensure a minimizing of increased moisture content. The supplier must be responsible for ensuring a similar concern over moisture absorption at the storage area, and during transportation to the point of delivery. The State of Vermont would prefer that delivered salt be provided from storage buildings that provide salt with the maximum protection from moisture, or directly from rail car. All salt supplied to the State of Vermont shall be stored at all times to comply with all federal, state and provincial environmental rules and requirement. Salt delivered to the VTrans that is not from protected storage (building or railcar) must be stored on a dry moisture-proof paved or other base that is in good condition and completely and securely covered at all times to protect it from moisture.

Salt must be completely covered by a waterproof tarpaulin or other impervious membrane both during storage and delivery. Any truck attempting to deliver salt that is without an impervious cover or such a cover that does not fully cover and protect salt from moisture or torn or ripped coverings shall result in rejection of the shipment. Delivery truck must be dry without snow or ice or extraneous debris. Evidence of free flowing water/brine shall be cause for rejection.

Salt delivered in a lumpy or otherwise visibly unacceptable condition that requires reprocessing in order to make it usable shall be cause for rejection of the entire day's deliveries, with replacement deliveries to be made at no additional charge to VTrans. Emergency conditions that may necessitate the acceptance of the salt delivered and therefore reprocessing of the salt prior to use will result in all costs for reprocessing to be charged to the contractor.

ACCEPTANCE: The salt may be rejected if it fails to conform to any of the requirements of this specification.

PENALTIES:

Moisture- Salt delivered under this contract shall not exceed one percent (1%). The Districts reserves the right to accept or reject salt with moisture content over 1% at point of delivery. The contractor shall be penalized according to the table below for salt delivered that exceeds the moisture content as specified.

MOISTURE CONTENT PERCENT (%) OF PAYMENT OF PRICE*

O - 1% 100%

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1 - 1 1/2 % 98%

greater than 1 1/2% 90%

* Price here refers to the price as calculated monthly for fuel price adjustments.

Gradation- If after delivery, the gradation of the Salt is found to be out of tolerance, a deduction from the price shall be made based on the following formula:

Reduced price per ton = delivered contract price x (1.00 - X)
where X = the decimal equivalent of the total % out of gradation. The % out of tolerance shall be to the nearest 1%. The total of the individual sieve tolerance deviations shall be used as X.

No penalty is to be assessed unless the proper analysis and test procedures are followed. If the contractor consistently delivers salt found to be above 1% moisture content or consistently not conforming to the gradation requirements, the contract shall be subject to cancellation.

WEIGHT: All loads shall be weighed in accordance with 9 VSA (Vermont Statutes Annotated) Chapter 73 and 2744. NO split weighing shall be allowed. Contractor must provide a truck weight slip for each truckload of salt delivered and the slip numbers must appear on the invoice. All weight tickets shall be mechanically or electronically printed. Hand written weight tickets will not be accepted, and loads with hand-written tickets shall be rejected. PAYMENT SHALL NOT BE MADE FOR THAT PORTION OF ANY LOAD EXCEEDING THE LEGAL MAXIMUM REGISTERED GROSS WEIGHT OF THE DELIVERING VEHICLE. All such material shall be deposited along with the balance of the load at an appropriate VTrans facility under the terms of these specifications. Repeated violations can be the subject for disqualification of the supplier, hauler, or both. All delivery vehicles will be required to obtain a tare weight daily prior to delivering any materials to VTrans. Vehicle manufacturers "Curb Weight" shall not be permissible for tare weights.

REGISTRATIONS/PERMITS: The trucker shall provide copies of any state vehicle registration and/or permits, including IFTA (International Fuel Tax Agreement) and Overweight Permits if applicable, with maximum registered gross weight indicated, to the District's DTA or designee before acceptance of the material. Copies of permits provided after hauling has begun shall not be considered to be in effect for this contract prior to the date that the District's DTA or designee receives the required copy.

NOTE: The State of Vermont expects all deliveries of salt to be made in full conformance with existing State, National, or Provincial laws or regulations, in addition to the conditions and specifications set forth in this document and in any contracts resulting from this document.
DELIVERIES WHICH DO NOT CONFORM TO THE SPECIFICATIONS OR ARE NOT IN GOOD CONDITION UPON RECEIPT SHALL BE REPLACED PROMPTLY BY THE CONTRACTOR, AND AT THE EXPENSE OF THE CONTRACTOR.

DELIVERY POINT: All truck deliveries are to be made to the doorways of the salt shed. State Personnel will push salt into the shed. Contractor must coordinate deliveries with Districts to ensure that appropriate resources are available to inspect and receive salt deliveries. Contractor shall make every effort to have deliveries be continuous until quantity ordered has been delivered to accommodate scheduling of personnel and equipment within the District.

Contractor should note that the configuration of some areas might make the use of tractor-trailer delivery unacceptable.

District's DTA or designees shall cooperate with the contractor in making adequate arrangements at salt shed locations so that the contractor can unload 20-ton loads speedily at the locations.

SCOPE OF CONTRACT: ROAD SALT FOR DISTRICTS 1, 2, 3, & 4

CONTRACT PERIOD: THIS CONTRACT IS WRITTEN FOR AN INITIAL ONE-YEAR TERM ENDING 7/15/2013 WITH OPTIONS TO EXTEND FOR TWO ADDITIONAL ONE-YEAR TERMS. PRICES TO REMAIN FIRM THROUGH JULY 15, 2013 EXCEPT FOR FUEL PRICE ADJUSTMENTS.

CONTACT FOR ORDERING/EXPEDITING:
CHRISTINE DECKER, CUSTOMER SERVICE REPRESENTATIVE
TOLL-FREE (888) 762-7258 OR (585) 243-9510 EXT. 1405

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FAX (585) 243-7676 christine.decker@americanrocksalt.com						

DEFERRED PAYMENT FOR SPRING FILL-UP: THE STATE OF VERMONT RESERVES THE RIGHT TO MAKE PAYMENTS AFTER JULY 1 OF THE CONTRACT YEAR FOR DELIVERIES USED TO FILL STORAGE SHEDS IN THE SPRING MONTHS. DATE OF DEFERRED PAYMENT WILL BE DETERMINED BY THE CONTRACTOR AND THE PURCHASING AGENT IN LATE WINTER.

FUEL PRICE ADJUSTMENT: BASE PRICE SHALL BE FIRM OTHER THAN DECREASE OR INCREASE MONTHLY (NOVEMBER TO JUNE) RELATED TO FUEL COST AND IS BASED ON THE POSTED PRICE OF DIESEL FUEL FROM THE US DOE WEEKLY RETAIL ON-HIGHWAY PRICE PUBLICATION FOR PADD 1A NEW ENGLAND REGION [HTTP://TONTON.EIA.DOE.GOV/OOG/INFO/WHOHP/DIESEL.ASP](http://TONTON.EIA.DOE.GOV/OOG/INFO/WHOHP/DIESEL.ASP) ADJUSTMENT IS THE DIFFERENCE BETWEEN THE PRICE JULY 2, 2012 (\$3.843) AND THE PRICE PUBLISHED ON THE FIRST MONDAY OF EACH MONTH AND EFFECTIVE THE FOLLOWING MONDAY, ADJUSTED PRICE IS POSTED AT [HTTP://WWW.BGS.STATE.VT.US/PCA/SALT/](http://WWW.BGS.STATE.VT.US/PCA/SALT/)

TERMS: NET 30 DAYS

QUANTITY: THE ANNUAL VALUE AND QUANTITIES ARE ESTIMATED ONLY BASED ON PRIOR USAGE; ACTUAL PURCHASES MAY BE HIGHER OR LOWER DEPENDING ON THE STATE'S NEEDS.

DELIVERY: LIABILITY FOR PRODUCT DELIVERY REMAINS WITH THE CONTRACTOR UNTIL THE PRODUCT IS PROPERLY DELIVERED AND SIGNED FOR IN ACCORDANCE WITH THE OFFICE OF PURCHASING & CONTRACTING TERMS AND CONDITIONS. SHIPMENTS SHALL BE SECURELY AND PROPERLY PACKED, ACCORDING TO ACCEPTED COMMERCIAL PRACTICES, WITHOUT EXTRA CHARGE FOR PACKING CASES OR OTHER CONTAINERS. SUCH CONTAINERS WILL REMAIN THE PROPERTY OF THE STATE UNLESS OTHERWISE STATED. DELIVERED GOODS THAT DO NOT CONFORM TO THE SPECIFICATIONS OR ARE NOT IN GOOD CONDITION UPON RECEIPT SHALL BE REPLACED PROMPTLY BY THE CONTRACTOR.

PRICING: ALL PRICING IS TO INCLUDE F.O.B. DELIVERY TO THE ORDERING FACILITY. NO REQUEST FOR EXTRA DELIVERY COST WILL BE HONORED. ALL EQUIPMENT SHALL BE DELIVERED ASSEMBLED, SERVICED, OILED, AND READY FOR IMMEDIATE USE, UNLESS OTHERWISE REQUESTED BY THE PURCHASING AGENCY.

QUALITY: ALL PRODUCTS PROVIDED UNDER THESE AGREEMENTS WILL BE NEW AND UNUSED, UNLESS OTHERWISE STATED. FACTORY SECONDS OR REMANUFACTURED PRODUCTS WILL NOT BE ACCEPTED UNLESS SPECIFICALLY REQUESTED BY THE PURCHASING AGENCY. ALL PRODUCTS PROVIDED BY THE CONTRACTOR MUST MEET ALL FEDERAL, STATE, AND LOCAL STANDARDS FOR QUALITY AND SAFETY REQUIREMENTS. PRODUCTS NOT MEETING THESE STANDARDS WILL BE DEEMED UNACCEPTABLE AND RETURNED TO THE CONTRACTOR FOR CREDIT AT NO CHARGE TO THE STATE.

METHOD OF ORDERING: PURCHASE ORDERS MUST BE USED TO ORDER ITEMS AVAILABLE UNDER THIS CONTRACT. IF VERBAL ORDERS ARE GIVEN A CONFIRMING PURCHASE ORDER MUST BE ISSUED.

INVOICING: ALL INVOICES ARE TO BE RENDERED BY THE CONTRACTOR ON THE VENDOR'S STANDARD BILLHEAD AND FORWARDED DIRECTLY TO THE INSTITUTION OR AGENCY ORDERING MATERIALS OR SERVICES AND SHALL SPECIFY THE ADDRESS TO WHICH PAYMENTS WILL BE SENT.

CANCELLATION: THE STATE SPECIFICALLY RESERVES THE RIGHT TO CANCEL THE CONTRACT, OR ANY PORTION THEREOF, IF, IN THE OPINION OF ITS COMMISSIONER OF BUILDINGS AND GENERAL SERVICES, THE SERVICES OR MATERIALS SUPPLIED BY THE CONTRACTOR ARE NOT SATISFACTORY OR ARE NOT CONSISTENT WITH THE TERMS OF THE CONTRACT

DEFAULT: IN CASE OF DEFAULT OF THE CONTRACTOR, THE STATE MAY PROCURE THE MATERIALS OR SUPPLIES FROM OTHER SOURCES AND HOLD THE CONTRACTOR RESPONSIBLE FOR ANY EXCESS COST OCCASIONED THEREBY, PROVIDED, THAT IF PUBLIC NECESSITY REQUIRES THE USE OF MATERIALS OR SUPPLIES NOT CONFORMING TO THE SPECIFICATIONS THEY MAY BE ACCEPTED AND PAYMENT THEREFORE SHALL BE MADE AT A PROPER REDUCTION IN PRICE.

REPORTING REQUIREMENTS: CONTRACTORS WILL BE REQUIRED TO SUBMIT QUARTERLY PRODUCT SALES REPORT TO THE PURCHASING AGENT PURSUANT TO THE SCHEDULE IN PARAGRAPH 3.13. EACH REPORT MUST CONTAIN THE FOLLOWING INFORMATION: CONTRACT NUMBER; USING DEPARTMENT'S ADDRESS, CONTACT NAME, AND TELEPHONE NUMBER; PRODUCT ORDERED; QUANTITY ORDERED; QUANTITY SHIPPED; AND PRICE CHARGED, WITH TOTALS FOR EACH PRODUCT FOR EACH REPORTING PERIOD.

WE RESERVE THE RIGHT TO REQUEST ADDITIONAL INFORMATION OR TO MODIFY THE REPORTING PERIODS.
REPORTING PERIODS: QUARTERLY REPORTS MUST BE SUBMITTED IN ACCORDANCE WITH THE FOLLOWING SCHEDULE:

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REPORTING PERIOD: JANUARY 1 TO MARCH 31 - REPORT DUE APRIL 15
REPORTING PERIOD: APRIL 1, TO JUNE 30 - REPORT DUE JULY 15
REPORTING PERIOD: JULY 1 TO SEPTEMBER 30 - REPORT DUE OCTOBER 15
REPORTING PERIOD: OCTOBER 1 TO DECEMBER 31 - REPORT DUE JANUARY 15

CONTRACT TERMS: THIS CONTRACT WILL BE SUBJECT TO REVIEW THROUGHOUT ITS TERM. THE STATE WILL CONSIDER CANCELLATION UPON DISCOVERY THAT A VENDOR IS IN VIOLATION OF ANY PORTION OF THE AGREEMENT, INCLUDING AN INABILITY BY THE VENDOR TO PROVIDE THE PRODUCTS, SUPPORT, AND/OR SERVICE OFFERED IN THEIR RESPONSE.

AGENCIES & DEPARTMENTS ARE REQUESTED TO ADVISE THE PURCHASING AGENT AT ONCE OF THE FAILURE ON THE PART OF THE CONTRACTOR TO FULFILL ANY OF THE TERMS OR CONDITIONS OF THIS CONTRACT.

PLEASE REFER TO THE ASSIGNED CONTRACT NUMBER/PURCHASE ORDER # ON ALL CORRESPONDENCE, DELIVERY DOCUMENTS AND INVOICES.

CUSTOMER SATISFACTION SURVEY: TO HELP US UNDERSTAND HOW WE CAN BETTER SERVE YOU, WE ARE INTERESTED IN RECEIVING YOUR COMMENTS REGARDING THE QUALITY OF SERVICE YOU RECEIVED IN YOUR MOST RECENT INTERACTION WITH THE DEPARTMENT OF BUILDINGS & GENERAL SERVICES (BGS). PLEASE COMPLETE THE ON-LINE CUSTOMER COMMENT FORM AT:
http://www.bgs.state.vt.us/forms/bgs_surveys/index.php?type=customer&action=customer

PENALTIES: SALT MAY BE REJECTED IF IT FAILS TO CONFORM TO ANY OF THE REQUIREMENTS OF THE SPECIFICATION DELIVERIES THAT ARE ACCEPTED THAT DO NOT CONFORM TO REQUIREMENTS FOR MOISTURE CONTENT AND /OR GRADATION ARE SUBJECT TO PENALTIES STATED IN THE CONDITIONS AND SPECIFICATIONS.

TAXES DUE TO THE STATE. CONTRACTOR FURTHER CERTIFIES UNDER THE PAINS AND PENALTIES OF PERJURY THAT, AS OF THE DATE THIS CONTRACT AMENDMENT IS SIGNED, THE CONTRACTOR IS IN GOOD STANDING WITH RESPECT TO, OR IN FULL COMPLIANCE WITH A PLAN TO PAY, ANY AND ALL TAXES DUE THE STATE OF VERMONT.

IF YOU HAVE ANY QUESTIONS REGARDING THIS DOCUMENT PLEASE CONTACT:

BRIAN BERINI
SENIOR PURCHASING AGENT
PHONE: 802-828-2217
FAX: 802-828-2222
brian.berini@state.vt.us

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT

By the STATE of VERMONT

By the CONTRACTOR

Date: _____

Date: _____

Signature: _____

Signature: _____

Name: _____

Name: _____

Title: _____

Title: _____

Email: _____

Email: _____